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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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Arizona Corporation Commission

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FEB 14 2014

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2014 FEB 14 A 11: 52

AZ CORP COMMISSION  
DOCKET CONTROL

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF  
PAYSON WATER CO., INC. AN ARIZONA  
CORPORATION, FOR A DETERMINATION OF  
THE FAIR VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN ITS  
WATER RATES AND CHARGES FOR UTILITY  
SERVICE BASED THEREON.

DOCKET NO. W-03514A-13-0111

ORIGINAL

IN THE MATTER OF THE APPLICATION OF  
PAYSON WATER CO., INC. FOR AUTHORITY  
TO ISSUE EVIDENCE OF INDEBTEDNESS IN  
AN AMOUNT NOT TO EXCEED \$1,238,000 IN  
CONNECTION WITH INFRASTRUCTURE  
IMPROVEMENTS TO THE UTILITY SYSTEM;  
AND ENCUMBER REAL PROPERTY AND  
PLANT AS SECURITY FOR SUCH  
INDEBTEDNESS.

DOCKET NO. W-03514A-13-0142

**STAFF'S NOTICE OF ERRATA**

The Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") hereby submits a Notice of Errata for the Revised Attachment C "Purchased Water Surcharge Examples" for Mesa Del Caballo. Staff filed the Revised Attachment of Page 1 of 2, but inadvertently omitted filing Page 2 of 2 to the Attachment. Therefore, Staff is resubmitting Attachment C in its entirety.

RESPECTFULLY SUBMITTED this 14<sup>th</sup> day of February, 2014.

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1 Original and thirteen (13) copies of the  
2 foregoing filed this 14<sup>th</sup> day of February,  
2014 with:

3 Docket Control  
4 Arizona Corporation Commission  
4 1200 West Washington Street  
5 Phoenix, Arizona 85007

6 Copy of the foregoing mailed and emailed  
7 this 14<sup>th</sup> day of February, 2014, to:

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**Revised**  
Attachment C

PURCHASED WATER  
SURCHARGE CALCULATION  
EXAMPLES  
FOR  
MESA DEL CABALLO



**Payson Water Company**

**Docket Nos. W-03514A-13-0111 and W-03514A-13-0142**

**Calculation of Avoided Costs**

Calculation of Avoided Costs			
Current Cost	Divided by	Total Gallons Sold Per 1,000 From Sch E-7	Cost Per 1,000 Gallons
Purchased Power for Wells (See Note Below)	/	51,230	\$ 0.55
Depreciation Expense on Wells	/	51,230	\$ -
Chemicals	/	51,230	\$ 0.05
Water Testing	/	51,230	\$ -
			\$ 0.60

Note: The \$28,241 was calculated by taking the Company's actual test year purchased pumping power expense of \$56,482 and dividing that number by 2. The purchased pumping power expense was divided by 2 to reflect that approximately half of the purchased pumping power was incurred for pumping water out of the wells and the other half of the purchased pumping power was incurred to transport the water from the storage tanks to the customers.